## LISKOW&LEWIS

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October 4, 2007

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Richard W. Revels, Jr rwrevels@Liskow.com

Honorable James H. Welsh Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: Alternate unit well designations

Cotton Valley Davis Zone, Reservoir A, Sand Unit D

Unionville Field

Lincoln Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **PEOPLES ENERGY PRODUCTION-TEXAS**, **L.P.** for the calling of a public hearing after ten (10) days legal notice, to consider evidence relative to the issuance of an Order pertaining to the following matters:

- 1. To permit the applicant to drill, designate and utilize additional alternate unit wells for the CV DAVIS RA SUD, at the locations shown on the plat attached hereto and made a part hereof, in exception to the spacing provisions of the Office of Conservation Order No. 206-E, effective December 13, 1978.
- 2. To find that the proposed alternate unit wells are necessary to efficiently and economically drain that portion of the Cotton Valley Davis Zone, Reservoir A, covered by the CV DAVIS RA SUD.
- 3. To continue in effect the existing designations and use of the current unit well and alternate unit well.
- 4. To permit the operator to produce the unit allowable from the unit well, the existing alternate unit well and/or the proposed alternate unit wells, in any combination, at the discretion of the operator.
- 5. Except to the extent herein set forth, to continue in full force and effect the provisions of Office of Conservation Order No. 206-E, effective December 13, 1978, as amended and supplemented by the 206-E Series of Orders, the units created thereby, and applicable statewide orders.

6. To consider such other matters as may be pertinent.

The Cotton Valley Davis Zone, Reservoir A, in the Unionville Field, Lincoln and Union Parishes, Louisiana, was previously defined in Office of Conservation Order No. 206-E-35, effective December 14, 1993.

The applicant is requesting permission to drill, designate and utilize additional alternate unit wells for the aforementioned unit at the locations shown on the attached plat. These wells will permit efficient and economic recovery of hydrocarbons underlying the unit, will not adversely affect the adjacent offsetting units, and are needed to satisfy the market demand for gas and condensate from the field.

Attached hereto and made a part hereof is a plat outlining the applicant's proposal along with a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties.

Finally, enclosed herewith is our check on behalf of the applicant in the amount of \$755.00 **made payable to the Office of Conservation** and representing the required hearing application fee.

Sincerely,

Richard W. Revels, Jr.

RWRjr:dbf Enclosures

cc: Mr. James Broussard, Shreveport District Office of Conservationcc: Interested Owners, Represented Parties and Interested Parties

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